



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HB 205** HLS 13RS 303

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 6, 2013	2:47 PM	<b>Author:</b> LEGER
<b>Dept./Agy.:</b> Legislature		
<b>Subject:</b> Local sales tax rate authorization		<b>Analyst:</b> Deborah Vivien

TAX/LOCAL

OR SEE FISC NOTE LF RV

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(Constitutional Amendment) Removes requirement for legislative authorization of the levy of additional sales taxes by parishes, municipalities, and school boards

Current law restricts combined local sales and use tax to 3% with the approval of local voters unless the legislature authorizes additional local sales and use tax, which must also be approved by local voters.

Proposed law removes the 3% maximum on local sales and use tax as well as legislative approval for additional local sales tax. However, any local sales and use tax must still be approved by local voters. If passed, this amendment will go before statewide voters on November 4, 2014.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Annual Total	\$0					\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Though the bill does not mandate a change in local sales tax rates, the legislature would no longer have authority over the setting of local sales tax rates. This authority is not typically exercised to deny the local option to increase taxes, likely due to the typical requirement of local voter aproval. However, removal of legislative oversight may allow local sales tax rates to change more easily leading to increases or decreases in collections that may not have otherwise occurred, though these fluctuations are not certain.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	<b>Gregory V. Albrecht</b> Chief Economist